



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

REPLY TO THE ATTENTION OF:

(AE-17J)

FEB 09 2009

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

James E. Earl
Manager, Environmental Engineering
Severstal North America, Inc.
14661 Rotunda Drive
P.O. Box 1699
Dearborn, Michigan 48120-1699

Re: Notice of Violation
Finding of Violation
Severstal North America, Inc.
Dearborn, Michigan

Dear Mr. Earl:

The U.S. Environmental Protection Agency (EPA) is issuing the enclosed Notice of Violation (NOV)/Finding of Violation (FOV) to Severstal North America, Inc. (you). We find that you have violated the Michigan State Implementation Plan (SIP) and certain conditions of your Title V operating permit at your Dearborn, Michigan facility.

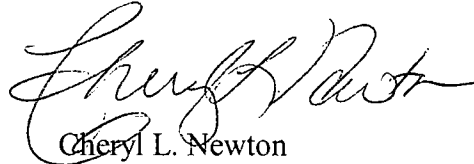
We have several enforcement options under Section 113(a)(1) and (a)(3) of the Clean Air Act, 42 U.S.C. § 7413(a)(1) and (a)(3). These options include issuing an administrative compliance order, issuing an administrative penalty order, and bringing a judicial civil or criminal action.

We are offering you an opportunity to confer with us about the violations alleged in the NOV/FOV. The conference will give you an opportunity to present information on the specific violations, the efforts you have taken to comply, and the steps you will take to prevent future violations.

Please plan for your facility's technical and management personnel to attend the conference to discuss compliance measures and commitments. You may have an attorney represent you at this conference.

The EPA contact in this matter is Daniel Schaufelberger. You may call him at (312) 886-6814 to request a conference. You should make the request as soon as possible, but no later than 10 calendar days after you receive this letter. We should hold any conference within 30 calendar days of your receipt of this letter.

Sincerely,

A handwritten signature in cursive script, appearing to read "Cheryl L. Newton".

Cheryl L. Newton
Director
Air and Radiation Division

Enclosure

cc: Teresa Seidel, District Supervisor
Michigan Department of Environmental Quality

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5**

IN THE MATTER OF:

Severstal North America, Inc.
Dearborn, Michigan

Proceeding Pursuant to
the Clean Air Act,
42 U.S.C. §§ 7401 et seq.

**NOTICE OF VIOLATION AND
FINDING OF VIOLATION**

EPA-5-09-MI-07

NOTICE OF VIOLATION AND FINDING OF VIOLATION

The U.S. Environmental Protection Agency (EPA) is issuing this Notice of Violation (NOV) and Finding of Violation (FOV) pursuant to Section 113(a)(1) and (a)(3) of the Clean Air Act (the Act), 42 U.S.C. § 7413(a)(1) and (a)(3). EPA finds that Severstal North America, Inc. (Severstal) has violated their Title V permit at their Dearborn, Michigan facility by exceeding the opacity limit set forth in the Michigan State Implementation Plan (SIP). Specifically, the facility has violated the following:

- Visible emissions provisions contained in R336.1301 of the Michigan SIP and;
- Condition II of Table E-01.03 of Severstal's Renewable Operating Permit (Permit Number 199700004).

Statutory and Regulatory Background

Title V

1. Title V of the Act, 42 U.S.C §§ 7661a-7661f, establishes an operating permit program for certain sources, including "major sources." Pursuant to Section 502(b) of the Act, 42 U.S.C. § 7661a(b), on July 21, 1992, U.S. EPA promulgated regulations establishing the minimum elements of a permit program to be administered by any air pollution control agency. 57 Fed. Reg. 32295. These regulations are codified at 40 C.F.R. Part 70.
2. Section 502(a) of the Act, 42 U.S.C. § 7661a(a), states that, after the effective date of any permit program approved or promulgated under Title V of the Act, no source subject to Title V may operate the source except in compliance with its Title V permit.
3. Title 40 C.F.R. § 70.7(b) states that, no source subject to Title V may operate the source except in compliance with a Title V permit.
4. EPA granted full approval to the Michigan Title V operating permit program on December 4, 2001. 66 Fed. Reg. 62949. The program became effective on November 30, 2001.

5. Severstal is a major source subject to Title V.
6. Michigan Department of Environmental Quality (MDEQ) issued Renewable Operating Permit (Title V permit) No. 199700004 to Severstal with an effective date of October 18, 2004.
7. Condition II.B. of Table E-01.03 of Severstal's Title V permit establishes a 6-minute average opacity limit of 20% for the C Blast Furnace Bleeders (Emission Group EGCBFBLEEDERS)

Michigan SIP

8. EPA approved R 336.1301 as part of the federally enforceable SIP for Michigan on June 11, 1992. The rule became effective on July 13, 1992. 57 Fed. Reg. 24752. A revised Michigan SIP rule 336.1301 was approved by EPA on June 1, 2006 and became effective July 3, 2006. 71 Fed. Reg. 31093 (June 1, 2006). The revisions to this SIP rule were minor and not pertinent to the matters covered by the NOV/FOV.
9. R 336.1301(1) provides that a person shall not cause or permit to be discharged into the outer air from a process or process equipment a visible emission of a density greater than the most stringent of: (a) a 6-minute average of 20% opacity, except for 1 6-minute average per hour of not more than 27% opacity; (b) a limit specified by an applicable federal new source performance standard; or (c) a limit specified as a condition of a permit to install or permit to operate.

Enforcement

10. Section 113(a)(1) and (a)(3) of the Act, 42 U.S.C. § 7413(a)(1) and (a)(3), authorize the Administrator to initiate an enforcement action whenever, on the basis of any available information, the Administrator finds that any person has violated or is in violation of a requirement or prohibition of, among others, an applicable implementation plan or permit under Title I or Title V of the Act, or any rule promulgated, issued or approved under Title I or Title V of the Act.
11. 40 C.F.R. § 52.23 states that, among other things, failure to comply with any provisions of this part, any approved regulatory provision of a State Implementation Plan, any permit condition, or with any permit limitation or condition contained within an operating permit, renders the person or governmental entity so failing to comply in violation of a requirement and subject to enforcement action under Section 113 of the Act.

Severstal's Facility

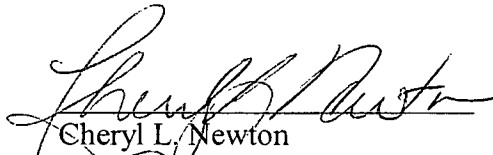
12. Severstal manufactures flat-rolled sheet steel products for a variety of manufacturing applications.

13. Severstal operates, among other operations, a blast furnace, C Blast Furnace, at its Dearborn, Michigan facility.
14. The C Blast Furnace bleeder stack is equipped with valves designated as emission group EGCBFBLEEDERS in Severstal's Title V permit.
15. The C Blast Furnace bleeders are valves that open, either automatically or manually, to permit surplus gas to escape from the furnace system. When the bleeders are opened, blast furnace gases escape, uncontrolled, to the atmosphere.
16. Severstal is subject to Title V permit No. 199700004, issued by MDEQ and effective October 18, 2004 through October 18, 2009.
17. Severstal's Title V permit, Condition IV of Table E-01.03, requires Severstal to monitor C Blast Furnace bleeder stack discharges to the atmosphere during daylight hours and to report the results of such monitoring in quarterly reports to EPA and MDEQ. This requirement was incorporated into the Title V permit from the Consent Decree entered between Severstal and EPA and MDEQ to settle Civil Action Nos. 0075452 and 0075454.
18. Under its Title V permit and the Consent Decree, Severstal is required to use EPA Method 9 to perform opacity readings at the C Blast Furnace bleeder stack whenever the bleeder valves open during daylight hours.

Violations

19. Attachment A of this notice provides a summary of C Blast Furnace bleeder stack visible emissions taken pursuant to Method 9 and reported by Severstal that exceed the Michigan SIP and Title V permit opacity limits.
20. From March 30, 2004 through October 31, 2008, Severstal reported a total of fifty-five (55) 6-minute average opacity readings from the C Blast Furnace bleeder stack that were in excess of Michigan SIP Rule R 336.1301(1)(a) and Severstal's Title V permit Condition II.B. of Table E-01.03.

2/5/09
Date


Cheryl L. Newton
Director
Air and Radiation Division

Attachment A

Event Count	Date of Event	Opacity Readings (6-minute Ave.) (%)
1	03/30/2004	35
2	06/25/2004	36
3	07/19/2004	39
4	08/16/2004	45
5	04/14/2005	50
6	05/10/2005	32
7	05/16/2005	38
8	10/22/2005	38
9	11/05/2005	34
10	11/05/2005	42
11	11/08/2005	33
12	04/17/2006	51
13	04/17/2006	31
14	04/27/2006	51
15	05/10/2006	34
16	05/10/2006	28
17	05/24/2006	34
18	05/24/2006	22
19	06/15/2006	48
20	06/15/2006	22
21	07/05/2006	31
22	07/26/2006	27
23	07/31/2006	39
24	07/31/2006	34
25	07/31/2006	32
26	07/31/2006	38
27	07/31/2006	31
28	07/31/2006	36
29	07/31/2006	65
30	07/31/2006	68
31	07/31/2006	85
32	07/31/2006	85
33	08/16/2006	49
34	08/18/2006	51
35	08/29/2006	82
36	08/29/2006	21
37	09/13/2006	30
38	09/27/2006	29
39	10/25/2006	56
40	10/30/2006	35

41	11/17/2006	52
42	02/23/2007	54
43	02/23/2007	27
44	03/30/2007	65
45	04/03/2007	58
46	04/03/2007	52
47	04/21/2007	22
48	07/09/2008	39
49	07/09/2008	30
50	07/09/2008	26
51	07/09/2008	22
52	07/09/2008	20
53	10/23/2008	100
54	10/23/2008	71
55	10/31/2008	62

CERTIFICATE OF MAILING

I, Tracy Jamison, certify that I sent a Notice and Finding of Violation,
No. EPA-5-09-MI-07, by Certified Mail, Return Receipt Requested, to:

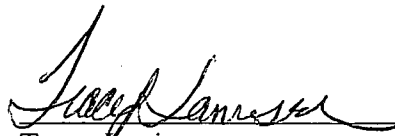
James E. Earl
Manager, Environmental Engineering
Severstal North America, Inc.
14661 Rotunda Drive
P.O. Box 1699
Dearborn, Michigan 48120-1699

I also certify that I sent copies of the Notice and Finding of Violation by first class mail
to:

Tom Hess
Enforcement Unit Chief
Michigan Department of Environmental Quality
Air Quality Division
P.O. Box 302
Lansing, Michigan 48909

Teresa Seidel
District Supervisor
Michigan Department of Environmental Quality
Southeast Michigan District Office
Air Quality Division
27700 Donald Court
Warren, Michigan 48092-2793

on the 9 day of February 2009.


Tracy Jamison
Office Automation Clerk
AECAS (MI/WI)
(312) 886-6086

CERTIFIED MAIL RECEIPT NUMBER: 7001 0320 0006 0186 0552